Abstract of the Disclosure

A system and method providing for a service provider, acting as agent for one or more community banks to offer indexed certificates of deposit (ICDs) at an upfront, fixed cost, which have the benefits of an upside return opportunity, no downside risk, and FDIC insurance for qualified accounts. Customers' funds are deposited with the banking institution, then a portion of the funds are directed through an escrow agent to a hedge provider in exchange for an option to pay the portion of the appreciation of the index, if any, on the ICDs. At maturity, the hedge provider pays the proportionate appreciation, if any, to the escrow agent, who in turn sends the appropriate portion of the appreciation to the participating bank institutions. The bank institutions then forward the appreciation, along with the initial purchase price of the ICDs, on to the customer.